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UNICEF integrated budget, 2018-2021

Summary

The integrated budget for 2018-2021 contains the resources that will contribute to the achievement of the UNICEF integrated results and resources framework.

As an integral part of the UNICEF Strategic Plan, 2018-2021 (E/ICEF/2017/17), the integrated budget should also be considered in conjunction with the Strategic Plan and its annexes. A separate annex to the integrated budget (E/ICEF/2017/AB/L.4/Add.1) should also be considered as part of this document.

The total projected revenue for 2018-2021 is $22.8 billion, representing an annual growth of 5 per cent, and is based on consultations with major donors, including private sector partners and National Committees for UNICEF. Demonstration of results and value for money, as well as continued investment in resource mobilization and public advocacy and outreach will help to drive this projected growth in revenue, which will be prioritized for use in country programmes and will contribute to improved outcomes and results for children.

Of the $20.3 billion available for programmes during 2018-2021, UNICEF is proposing to channel $19.2 billion, or 95 per cent, through country programmes of cooperation. This is $2.9 billion, or 18 per cent higher than the 2014-2017 mid-term review of the integrated budget (MTR).

From the resources available for programmes, UNICEF is proposing a budget from regular resources (RR) of $220.0 million, and other resources (OR) of $810.2 million, subject to the receipt of contributions to OR, for the Global and Regional Programme during 2018-2021.

UNICEF is proposing an institutional budget of $2,455.5 million for 2018-2021, with $1,095.2 million funding from RR, $1,195.0 million from cost recovery from OR, and $165.3 million from OR. Compared with the original 2014-2017 budget, the proportion of total resources utilized for the proposed institutional budget will decrease from 11.9 per cent to 10.2 per cent.

* E/ICEF/2017/14.

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A draft decision on the integrated resource plan, institutional budget and Global and Regional Programme is included in section VII of this document.

This integrated budget proposal will be presented to the Advisory Committee on Administrative and Budgetary Questions, whose report will also be shared with the Executive Board.

Contents

		Page
I.	Introduction	4
II.	Integrated resource plan	4
	Review of financial performance, 2014-2017	4
	Integrated resource plan, 2018-2021	5
	Resources available	5
	Use of resources	5
	Sufficiency of reserves	6
	Lessons learned from the implementation of the integrated budget, 2014-2017	7
III.	Integrated results and resources framework	9
	Planned use of resources for Strategic Plan goals	9
	Country programmes of cooperation	9
	Global and Regional Programme	9
	Allocation of resources to organizational effectiveness and efficiency results	10
	Result 1: Higher quality programmes through results-based management	11
	Result 2: Improved management of financial and human resources in pursuit of results	13
	Result 3: Coordination within the United Nations Development system	19
	Special purpose	19
IV.	Institutional budget	21
	Major areas of increase and decrease	21
	Cost	21
	Volume	21
	Overview of post changes	22
V.	Cost recovery	23
VI.	Reporting on implementation of the integrated budget	24
VII.	Draft decision	24

Tables

1.	Integrated resource plan, 2018-2021	8
2.	Integrated results and resources framework, 2018-2021	11
3.	Summary of increases/decreases in the institutional budget, 2018-2021	22
4.	Application of the approved cost-recovery methodology	24

I. Introduction

1. This document presents the UNICEF integrated budget, 2018-2021. It is an integral part of the UNICEF Strategic Plan, 2018-2021 (E/ICEF/2017/17), and should be considered in conjunction with the Strategic Plan and its annexes.

2. The Strategic Plan describes the results to be achieved for children by UNICEF by the year 2021 in the context of the 2030 Agenda for Sustainable Development. It also describes the groups of children to be reached in diverse contexts; the change strategies necessary for the achievement of results; and the factors that support the change strategies and the achievement of results.

3. The Strategic Plan contains a single results framework architecture for UNICEF, comprising 5 Goal Areas, 2 cross-cutting priorities, 25 result areas, 8 change strategies and 4 organizational performance focus areas. The integrated results and resources framework identifies how the resources available to UNICEF are linked to the Strategic Plan goals and the organization's efforts to improve effectiveness and efficiency.

4. UNICEF uses an integrated resource plan for the presentation of budgetary information, defined cost-classification categories, as well as cost-recovery methodologies and approaches to cost attribution that have been approved for harmonized use by the Executive Boards of UNICEF, the United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women).

II. Integrated resource plan

5. This section provides information on (a) actual financial performance, compared with the resource plan approved by the Executive Board for the period 2014-2017 as part of the report on the midterm review of the UNICEF integrated budget, 2014-2017 (E/ICEF/2016/AB/L.2/Rev.1); and (b) the integrated resource plan proposed for the period 2018-2021.

Review of financial performance, 2014-2017

6. Actual financial performance against the original 2014-2017 Strategic Plan and the MTR is highlighted in appendix C of the annex to the present report.

7. In 2016, UNICEF revised its integrated resource plan for 2014-2017, taking into account actual revenue and expenditures for 2014, provisional estimates for 2015 and revised estimates for 2016-2017. Within the framework of the revised plan and taking into account the projected increase in total revenue of 15 per cent, from $16.3 billion to $18.8 billion, UNICEF proposed increasing the planned expenditure for programmes by 15 per cent to $17.1 billion, as compared to the initial plan of $14.8 billion. At the same time, UNICEF proposed maintaining the institutional budget at the initially approved level of $2,094.5 million for 2014-2017, with $1,039.3 million funding from regular resources (RR), $938.8 million from cost recovery and $116.4 million from other resources (OR). Compared to the initially approved integrated resource plan 2014-2017, the proportion of total resources utilized for the institutional budget in the revised 2014-2017 integrated resource plan decreased from 11.9 per cent to 10.5 per cent.

8. From the resources available for programmes, UNICEF proposed maintaining a budget for the Global and Regional Programme during 2014-2017 of RR of

$180.0 million and OR of $528.4 million, subject to the receipt of contributions to OR.

Integrated resource plan, 2018-2021

9. Table 1 below provides information on the projected total available resources and the proposed use of resources for all cost classification categories for 2018-2021.

Resources available

10. Total resources available of $24.5 billion are projected for 2018-2021, comprising $6.8 billion in RR and $17.7 billion in OR.

11. The total projected revenue is $22.8 billion, representing an annual growth of 5 per cent, and is based on consultation with major donors, private sector partners and National Committees for UNICEF, as well as the historical trend of revenue growth (see appendix E of the annex: Annual revenue projections, 2018-2021).

12. UNICEF will advocate for domestic financing and budgeting for programmes benefiting children. UNICEF will also have a strong focus on mobilizing resources from Governments and the private sector — including individuals, foundations and corporations — to maximize longer-term, flexible and predictable funds in support of UNICEF programmes and advocacy for children, including for preparedness and humanitarian action. The rationale for an increased focus on resource mobilization is a reflection of the ambitions of the 2030 Agenda, a growing demand from host Governments to collaborate on interventions at scale that can deliver the transformative change envisioned in the Sustainable Development Goals, and the need to respond to the continued frequency and complexity of humanitarian situations.

13. The projected growth in revenue, particularly RR revenue, will be driven by investment in the recruitment and retention of monthly pledge donors and increased leveraging of legacy, corporate and foundation fundraising opportunities. This will be underpinned by the ability of UNICEF to continue to demonstrate results and value for money.

14. The UNICEF policy is to ensure the availability of RR equivalent to between three months and six months of planned expenditure. This balance of available resources, also referred to as *working capital*, is considered prudent for ensuring the continuity of programme and other activities. Available resources are represented by cash and other net assets. UNICEF ensures that the cash balance complies with the minimum liquidity requirement on an annual basis.

Use of resources

15. The total proposed use of resources for 2018-2021 is $24.0 billion, comprising RR of $6.4 billion and OR (including cost recovery) of $17.6 billion.

16. Of the $24.0 billion, UNICEF is proposing to utilize $21.0 billion for development activities, $49.3 million for United Nations development coordination activities, $1.6 billion for management activities, and $1.3 billion for special purpose activities. Compared with the 2014-2017 MTR, the proportion of total resources utilized for development activities is proposed to decrease from 89 per cent to 88 per cent, and the proportion of total resources utilized for management activities to decrease from 7.2 per cent to 6.7 per cent.

17. Within development activities, UNICEF is proposing to make $20.3 billion available for programmes and to increase programme expenditure gradually over the

budget period. This growth will be funded from projected increased revenue and accumulated available resources; the latter will be reduced to the level considered prudent for ensuring the continuity of activities.

18. From the resources available for programmes, UNICEF is proposing for approval a budget for the *Global and Regional Programme* during 2018-2021 of $220.0 million from RR, and $810.2 million from OR, subject to the receipt of contributions to OR.

19. UNICEF is proposing an *institutional budget* of $2,455.5 million for 2018-2021. The institutional budget comprises the following resource requirements: $721.9 million for development effectiveness; $49.3 million for United Nations development coordination; $1,604.3 million for management; and $1,318.2 million for special purpose activities.

20. Compared with the 2014-2017 MTR, the proportion of total resources utilized for the institutional budget is proposed to decrease from 10.5 per cent to 10.2 per cent.

21. Of the institutional budget of $2,455.5 million, $1,095.2 million is proposed for funding from RR, $1,195.0 million from cost recovery from OR, and $165.3 million from OR. Compared with the 2014-2017 MTR, the proportion of management activities funded from cost recovery will increase from 63 per cent to 71 per cent.

22. UNICEF is including in the integrated budget and total use of resources, under special purpose activities, budgetary provisions for (a) private sector fundraising (PSFR); and (b) other amounts, including procurement services.

23. The resource requirements proposed under PSFR comprise the direct costs and investment costs supporting the fundraising and marketing activities of the National Committees and UNICEF country offices. The appropriation for these resource requirements is presented for approval by the Executive Board on an annual basis, in conjunction with the Private Fundraising and Partnerships workplan and proposed budget.

24. The authority to incur financial commitments for services provided by UNICEF, such as procurement services, is provided in financial regulations 5.1 to 5.3 on the administration and defrayal of costs of special accounts on behalf of others.

Sufficiency of reserves

25. UNICEF maintains reserves to fund its employee benefits liabilities, comprising after-service health insurance (ASHI) and end-of-service entitlements. As at 31 December 2016, the actuarial value of these liabilities was $1.22 billion and accumulated reserves totalled $0.62 billion. The accumulated reserves are projected to increase to $0.66 billion by 31 December 2017.

26. UNICEF continues to periodically monitor the strategy to fund these reserves in the longer term. This includes the accumulation of funds from payroll charges to the budgetary authorities and funding sources with which staff members are associated and, if year-end fund balances permit, an appropriate annual transfer of resources. In addition, UNICEF and a number of other United Nations agencies, including UNDP and UNFPA, have outsourced the management of ASHI investments to two investment managers, which has contributed to increased funding for the ASHI reserve. UNICEF continues to actively fund the reserves, although it is important to note that changes in the funding deficit are mostly contingent on the results of the periodic actuarial valuation.

Lessons learned from the implementation of the integrated budget, 2014-2017

27. In its decision 2016/9, the Executive Board requested UNICEF, "in consultation with UNDP, UNFPA and UN-Women, as appropriate, to incorporate relevant lessons learned from the integrated budget, 2014-2017, in preparation for the integrated budget, 2018-2021".

28. The preparation and implementation of a four-year budget has presented opportunities as well as challenges for UNICEF. In particular, the alignment of the Strategic Plan and integrated budget planning periods has enabled UNICEF to strengthen linkages between strategic and financial planning. This is critically important, as both documents constitute two aspects of a single, unified vision for the organization. From a resource mobilization perspective, it is necessary to have a long-term plan to help prospective donors to understand and appreciate the scope of programme funding needs. The opportunity of the midterm review has also enabled UNICEF to revise plans and reflect on lessons learned prior to the preparation of a new budget proposal. Furthermore, the four-year planning horizon benefits from the guidance of and alignment with the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR).

29. A four-year budget also involves operational challenges. UNICEF has had to revise RR projections due to exchange rate fluctuations as well as indications from donors. The longer-term financial planning horizon necessarily brings more uncertainty and the likelihood of changing priorities, assumptions and circumstances. This uncertainty is being addressed through the combination of regular monitoring and reforecasting of revenue and expenditure and prudent management of reserves.

Table 1
Integrated resource plan, 2014-2017

	Approved 2014-2017 MTR (E/ICEF/2016/AB/L.2/Rev.1)							*2018-2021*						
	Regular resources		*Other resources*		*Total resources*		*Trust funds*	*Regular resources*		*Other resources*		*Total resources*		*Trust funds*
			Programme	*Cost recovery*						*Programme*	*Cost recovery*			
1. Resources available	*$m*	*%*	*$m*	*$m*	*$m*	*%*	*$m*	*$m*	*%*	*$m*	*$m*	*$m*	*%*	*$m*
Opening balance	575.3		1,853.1	-	2,428.4		586.0	562.3		1,235.9	-	1,798.2		727.0
Income														
Contributions	4,697.7		13,685.7	-	18,383.4		-	5,801.9		16,512.5	-	22,314.4		-
Other income and reimbursements	402.5		-	-	402.5		-	500.0		-	-	500.0		-
Total income	5,100.2		13,685.7	-	18,785.9		-	6,301.9		16,512.5	-	22,814.4		-
Tax reimbursement adjustment	(76.6)		-	-	(76.6)		-	(80.0)		-	-	(80.0)		-
Trust fund receipts			-	-	-		7,577.0			-	-	-		7,148.0
Total available	**5,598.9**		**15,538.8**	**-**	**21,137.7**		**8,163.0**	**6,784.1**		**17,748.4**	**-**	**24,532.6**		**7,875.0**
2. Use of resources														
A. Development														
A.1 Programmes	3,651.8	69.1%	13,429.1	-	17,080.9	86.0%	7,333.0	4,360.0	67.9%	15,917.3	-	20,277.3	84.6%	7,116.0
Country programmes	3,471.8	65.7%	12,900.6	-	16,372.4	82.5%	-	4,140.0	64.5%	15,107.1	-	19,247.1	80.3%	-
Global programme	180.0	3.4%	528.4	-	708.5	3.6%	-	220.0	3.4%	810.2	-	1,030.2	4.3%	-
A.2 Development effectiveness	467.4	8.8%	100.1	-	567.5	2.9%	-	589.0	9.2%	133.0	-	721.9	3.0%	-
Subtotal Development	4,119.2	78.0%	13,529.2	-	17,648.4	88.9%	7,333.0	4,949.0	77.1%	16,050.3	-	20,999.3	87.6%	7,116.0
B. United Nations development coordination	20.3	0.4%	16.3	-	36.6	0.2%	-	23.3	0.4%	25.9	-	49.3	0.2%	-
C. Management	531.2	10.1%	-	904.2	1,435.4	7.2%		459.9	7.2%	6.4	1,138.0	1,604.3	6.7%	
D. Special purpose														
D.1 Capital investments	20.4	0.4%	-	34.6	55.0	0.3%	-	23.0	0.4%	-	57.0	80.0	0.3%	-
D.2 Private fundraising and partnerships, direct investment costs	410.6	7.8%	86.0	-	496.6	2.5%	-	725.1	11.3%	273.0	-	998.2	4.2%	-
D.3 Other	182.5	3.5%	-	-	182.5	0.9%	-	240.0	3.7%	-	-	240.0	1.0%	-
Subtotal Special purpose	613.4	11.6%	86.0	34.6	734.1	3.7%	-	988.1	15.4%	273.0	57.0	1,318.2	5.5%	-
Total institutional budget (A.2 + B + C + D.1)	**1,039.3**	**19.7%**	**116.4**	**938.8**	**2,094.5**	**10.5%**	**-**	**1,095.2**	**17.1%**	**165.3**	**1,195.0**	**2,455.5**	**10.2%**	**-**
Integrated budget (A + B + C + D)	**5,284.1**	**100.0%**	**13,631.5**	**938.8**	**19,854.4**	**100.0%**	**7,333.0**	**6,420.3**	**100.0%**	**16,355.6**	**1,195.0**	**23,971.0**	**100.0%**	**7,116.0**
3. Closing balance of resources	**314.7**		**968.5**		**1,283.3**		**830.0**	**363.8**		**197.8**		**561.6**		**759.0**

III. Integrated results and resources framework

30. The Strategic Plan, 2018-2021 contains a single results framework architecture for UNICEF, comprising 5 Goal Areas, 2 cross-cutting priorities, 25 result areas, 8 change strategies and 4 organizational performance focus areas.

31. Table 1 provides information on the proposed use of resources by cost-classification category. Table 2 identifies how total resources available to the organization will be allocated to these goals and results.

32. Over the past four years, substantive changes have been made in realigning headquarters functions; confirming responsibilities of field offices; strengthening regional office capacities; enhancing capacity and corporate systems for results-based management and reporting; increasing organizational capacity for preparedness and emergency response; simplifying work processes and establishing the Global Shared Services Centre (GSSC); and leveraging technology and innovation, as well as improvements in managing human resources. These developments are noted in the results and cluster comments below. Additional details on results achieved and progress against planned targets were provided in the report on the midterm review of the Strategic Plan, 2014-2017 (E/ICEF/2016/6) and the annual report of the Executive Director, 2016 (E/ICEF/2017/6) and related documents.

Planned use of resources for Strategic Plan goals

33. UNICEF is proposing increased investment to achieve programme goals during the period 2018-2021. Goal Area 1: Every child survives and thrives, is projected to utilize 40 per cent of total programme investment. Goal Area 2: Every child learns, is projected to use 20 per cent. Goal Area 3: Every child is protected from violence and exploitation, will utilize 12 per cent. Goal Area 4: Every child lives in a safe and clean environment, will be supported by 19 per cent of the programme budget. Goal Area 5: Every child has an equitable chance in life, will utilize 9 per cent, while also underpinning and cutting across the four other Goal Areas.

Country programmes of cooperation

34. Of the $20.3 billion available for programmes during 2018-2021, UNICEF is proposing to channel $19.2 billion, or 95 per cent, through country programmes of cooperation. This is $2.9 billion, or 18 per cent, higher than the 2014-2017 MTR.

35. Regular resources are allocated to individual country programmes of cooperation according to the system for allocation of RR for programmes, approved by the Executive Board, with an emphasis on three core criteria: (a) under-five mortality rate; (b) gross national income per capita; and (c) child population.

36. The Executive Board approves indicative budgets for OR (regular) when approving country programme documents or equivalent, while OR (emergency) funds are programmed according to need.

Global and Regional Programme

37. UNICEF proposes to increase the global and regional budget to $220.0 million, funded from RR and $810.2 million from OR. The Global and Regional Programme contributes to each of the outcome areas of the Strategic Plan by: (a) creating and disseminating global and regional public goods, including monitoring and analysing the situation of children for global accountability; (b) contributing to and strengthening relevant global and regional policy and

coordination systems; and (c) contributing to the relevant global evidence base and normative guidelines. The Global and Regional Programme is integrated within the Strategic Plan and related results and resources framework. Global and regional programme resources are implemented by each of the seven UNICEF regional offices as well as relevant headquarters divisions and offices, including Programme; Data, Research and Policy; Supply; Evaluation; Emergency Programmes; and Communication.

Allocation of resources to organizational effectiveness and efficiency results

38. Resources for the organizational effectiveness and efficiency results are presented in accordance with the harmonized cost classification and results-based budgeting approach presented at the 2011 first regular session and approved by the Executive Board in decision 2011/6.

39. Resources allocated to organizational units are grouped into functional clusters, which provide the link between results and resources. The functional clusters for management activities are harmonized among UNDP, UNFPA, UN-Women and UNICEF. Development effectiveness activities are more closely associated with the programme outcomes and delivery modalities of each of the entities and are therefore not harmonized among them.

40. Within UNICEF, resources for development effectiveness are allocated to three functional clusters: technical excellence in policy and programmes; technical excellence in humanitarian action; and technical excellence in the procurement and management of supplies.

41. The paragraphs below provide a summary update by organizational effectiveness and efficiency result and functional cluster.

Table 2
Integrated results and resources framework, 2018-2021

	Goals	Functional cluster	2018-2021			
			Regular resources	Other resources		Total resources
				Programme	Cost recovery	
			$m	$m	$m	$m
Programmes			**4360.0**	**15917.3**		**20277.3**
Goal Area 1 - Every child survives and thrives			1744.0	6366.9		8110.9
Goal Area 2 - Every child learns			872.0	3183.5		4055.5
Goal Area 3 - Every child is protected from violence and exploitation			523.2	1910.1		2433.3
Goal Area 4 - Every child survives in a safe and clean environment			845.8	3088.0		3933.8
Goal Area 5 - Every child has an equitable chance in life			375.0	1368.9		1743.9
Organizational effectiveness and efficiency						
1	**Higher quality programmes through results-based management**		**589.0**	**133.0**		**721.9**
		Technical excellence in policy and programmes	500.2	124.2		624.3
		Technical excellence in procurement and management of supplies	53.5	8.8		62.3
		Technical excellence in humanitarian action	35.3			35.3
2	**Improved management of financial and human resources in pursuit of results**		**459.9**	**6.4**	**1138.0**	**1604.3**
		Leadership and corporate direction	10.7	1.9	26.5	39.1
		Corporate oversight and assurance	13.8		34.1	47.8
		Corporate financial, information, communications and technology, and administrative management	70.4	.6	174.1	245.1
		Staff and premises security	8.1		20.0	28.1
		Corporate external relations and partnerships, communication and resource mobilization	71.8		177.6	249.4
		Corporate human resources management	27.1	3.8	67.1	98.0
		Field/country office oversight, management and operations support	258.1		638.6	896.7
3	**Coordination of the United Nations Development System**		**23.3**	**25.9**		**49.3**
		United Nations coherence and cluster coordination	23.3	25.9		49.3
4	**Special purpose**		**988.1**	**273.0**	**57.0**	**1318.2**
		Capital investment	23.0		57.0	80.0
		Private sector fundraising	725.1	273.0		998.2
		Other, including procurement services	240.0			240.0
Total resources			**6420.3**	**16355.6**	**1195.0**	**23971.0**

Result 1: Higher quality programmes through results-based management

Cluster:	Technical excellence in policy and programmes
Resources:	$624.3 million

42. Comprising the Programme Division, the Division of Data, Research and Policy, the Field Results Group and the technical advisers in regional offices, this cluster is responsible for programme policy, guidance tools, technical support and quality assurance for the achievement of the programme goals of the Strategic Plan.

The cluster draws on research, lessons from evidence-based interventions and insights from practical programming experience.

43. The Programme Division will consolidate and scale up past advances (e.g. in child health, AIDS, immunization, polio, stunting and wasting, sanitation, safe water, child protection, and education quality and learning), accelerate work on existing priorities (e.g. early childhood development (ECD), social protection, leveraging of domestic resources, reducing open defecation rates, addressing harmful practices, ending violence, responding to public health emergencies, and promoting gender equality), and at the same time spearhead innovative programming and multisectoral approaches (e.g. ECD, adolescent programming, urbanization, migration, climate change adaptation). The Division has identified three priority work areas that require further attention to accelerate the above results: systems strengthening (specifically in support of community health, education, public finance and addressing violence against children), adolescent development and knowledge management.

44. The Division of Data, Research and Policy will harness the role of evidence in driving change to support all result areas of the Strategic Plan, 2018-2021. By the end of the Strategic Plan period, all countries will have baseline data on key child-related indicators as identified in the Sustainable Development Goals. There will be new evidence on what is holding children back and why in areas that remain poorly understood today. Robust policy solutions will help UNICEF to achieve the goals of the Strategic Plan, including through the priority campaigns of the Cause Framework. Policy advice will help country and regional offices to drive evidence-based reforms on issues affecting children. And UNICEF strategic planning and learning will be rooted in a strong evidence and knowledge foundation.

45. The Field Results Group was established in 2014. To support the 2018-2021 Strategic Plan, the Group plans systematic engagement with headquarters divisions and regional offices to highlight priorities that will ensure field offices are "fit for purpose" as they:

(a) accelerate results achievement for children;

(b) strengthen results-based management practices in sectoral and cross-sectoral programme guidance;

(c) strengthen evidence-based decision-making, supported by monitoring and analysis of performance, using enhanced tools, and developing national systems;

(d) implement modalities and partnerships focused on achieving results, while safeguarding and optimizing resources and building national systems;

(e) effectively manage risks arising from the rationalization of work processes;

(f) operate in the context of United Nations coherence and other partnership and donor arrangements; and

(g) strengthen learning for improved programme management and results achievement and overall improvement of development effectiveness.

Cluster:	Technical excellence in procurement and management of supplies
Resources:	$62.3 million

46. The strategic priorities of the Supply Division for 2018-2021 are: providing timely and effective service delivery, including for emergencies, programmes and procurement services partners; creating healthy markets and sustainable national supply chain systems; and providing supply financing solutions (for both countries and suppliers. To support and accelerate the achievement of results, strategies have been developed on the science of delivery; products and markets; services; the humanitarian-development continuum; national systems strengthening; financing and domestic resource mobilization; monitoring; the supply community; optimizing UNICEF supply; and strengthening organizational excellence. All of the strategies utilize a results-based approach and achieving key results and targeted outputs will have significant impact on achievement of the Goal Areas and result areas of the Strategic Plan.

Cluster:	Technical excellence in humanitarian action
Resources:	$35.3 million

47. Engaging in humanitarian action is fundamental to realizing the rights of every child. Over the next four years, the Office of Emergency Programmes (EMOPS) aims to coordinate efforts at New York headquarters to provide quality, effective and timely support to country and regional offices to better invest in preparedness measures and address the most pressing humanitarian challenges for improved and sustained results for children affected by humanitarian situations. The goals of EMOPS support the Strategic Plan's focus on equity, reaching the most disadvantaged and leveraging humanitarian investments that will lead to better development outcomes.

48. Following the adoption of the 2030 Agenda, UNICEF has committed to deliver better outcomes for children, in a more effective and efficient manner, including by strengthening the complementarity between humanitarian action and development, human rights and peace and security. In this regard, over the next four years EMOPS will be placing special emphasis on enhancing internal capacity to respond to large-scale, rapid onset and protracted crises, improving the organization's humanitarian cash-based approaches through development of policy, guidance and tools to aid field offices in scaling up the use of cash programming in humanitarian settings; and enhancing UNICEF accountability to affected populations through strengthened community engagement, support to national systems and the development of inter-agency mechanisms. The Office will also strengthen its engagement with other United Nations entities to foster and support reforms towards more preventive approaches and strategic responses, and improved coherence and complementarity among humanitarian, development, human rights and peace and security actors in the interest of children, while respecting humanitarian principles.

Result 2: Improved management of financial and human resources in pursuit of results

Cluster:	Corporate oversight and assurance
Resources:	$9.7 million: Evaluation
	$38.1 million: Internal Audit and Investigations

49. In line with the UNICEF Evaluation Policy, the Evaluation Office oversees the corporate evaluation function, including implementation of evaluation activities by

decentralized organizational units. The Strategic Plan, 2018-2021 will guide the efforts of UNICEF to respond to the 2030 Agenda. This requires a robust evidence base to guide the organization in its programming and decision-making. The evaluation function will play a key role in such decision-making by providing impartial assessment and validation of the organization's strategic choices, programme performance and results, and feedback on operational effectiveness and efficiency.

50. Recent assessments of the corporate evaluation function have highlighted the need to strengthen its independence (thereby enhancing the credibility of evidence generated) and for evaluation to be more timely and responsive to the needs of the organization and bolstering its value and use for learning and decision-making. In particular, the opportunities provided by new media and technologies need to be harnessed to enable better use of evaluation evidence generated throughout the organization. The assessments also endorsed the role of UNICEF as a leader, through various partnerships, in joint evaluation activities and in building evaluation capacity globally.

51. As in the past, significant resources will support the delivery of quality independent corporate-level evaluations. However, innovative methods and approaches will enable greater responsiveness, timeliness and use: for example, by building modular portfolios of rapid, focused evaluations that address current issues, rather than undertaking large and lengthy individual evaluations. In addition to undertaking independent corporate-level evaluations, key roles for the Evaluation Office have been identified as critical for programming at the field level: most directly through evaluation capacity support, but also through innovation and learning from evaluation activities that benefit the entire organization.

52. The Office of Internal Audit and Investigations (OIAI) continues to provide independent and objective assurance and investigation services that are designed to improve the operations of UNICEF. The 2015 OIAI annual report provided the Executive Board with a robust annual opinion on the overall effectiveness of governance, risk management and control, which was welcomed by Member States. The office also helped management to make sustainable progress in areas such as formalizing the Regulatory Framework, improving management of implementing partners, strengthening data security, and managing risks around sexual abuse and exploitation. The public disclosure of the OIAI internal audit reports is emblematic of the clear commitment by UNICEF to organizational accountability and transparency.

53. Building on its achievements from 2014 to 2017, the OIAI assurance and advisory work will focus more sharply on the most important risks to the achievement of the organization's objectives, including thematic and systemic threats and opportunities. The office will continue to work closely with management to increase the effectiveness of the internal control framework, enterprise risk management, and, in particular, fraud risk management. And OIAI will focus on enhancing its own effectiveness and efficiency by re-engineering its internal processes, relocating auditors and investigators closer to the field and investing in technology in support of data analytics.

Cluster:	Corporate financial, information and communication technology and administrative management
Resources:	$245.1 million

54. The Division of Financial and Administrative Management during 2014-2017 embarked on initiatives that improved management, corporate reporting and administrative services, streamlined internal processes and improved management of facilities and physical assets. Attention was equally paid to data integrity of the enterprise resource planning (ERP) system, improved reporting based on International Public Sector Accounting Standards (IPSAS), and better donor reporting and treasury performance.

55. During 2018-2021, the Division will focus on strengthening corporate risk management; improving the internal control framework; strategic resource management; structured financing for procurement of critical programme supplies; effective management of donor contributions; and corporate records management. Other areas of focus will include improving travel management services and promoting eco-efficiency and inclusive accessibility of premises, as well as providing high quality and timely client-focused support to regional and country offices and headquarters divisions.

56. The information and communications technology (ICT) function continued to enhance programme and operational effectiveness. Governance of ICT was strengthened, including through a new strategy to foster optimal partnerships and improve delivery in such areas as real-time systems monitoring, cybersecurity and the online protection of children.

57. Significant ICT projects were delivered in 2014-2017. For the Strategic Plan, 2018-2021 special emphasis has been placed on how technology can lead to improvements in internal efficiencies in service delivery as well as how technology and innovations can serve to reach the most marginalized and hardest-to-reach children. UNICEF ICT is linked to the "Enablers" in the new Strategic Plan, and will focus its work in accordance with the following priorities:

(a) Launch strategic ICT-enabled projects through a strengthened information and communication technology board, with the objective of an increased focus on programme effectiveness.

(b) Provide an engagement platform, consisting of a convergence of social media, relationship management, fundraising and a volunteer portal.

(c) Introduce an enterprise content management platform and digital workplace to enable knowledge management globally.

(d) Partner across UNICEF and deliver solutions to gather and leverage real-time information in development and humanitarian settings.

(e) Mitigate information, cybersecurity and privacy risks associated with internal systems, and those systems that support child/beneficiary information.

(f) Partner with the United Nations, private sector and technology industry to support both regular and emergency ICT areas.

Cluster:	Corporate external relations and partnerships, communication and resource mobilization
Resources:	$249.4 million

58. The Public Partnerships Division (PPD) has been successful in policy advocacy and strengthening and broadening the UNICEF partnership base. The Division has helped to place children's rights on the political agenda at global, regional and national levels, and has effectively positioned UNICEF in relation to the international financial institutions (IFIs) such as the World Bank. The Division

supported scaling up collaboration with relevant European Union institutions to address the migration and refugee crisis. The Group of Friends for Children and the Sustainable Development Goals has continued to meet regularly and has been a channel for mobilizing government champions around important child rights issues.

59. The Division will invest in strengthening relations with its traditional and non-traditional partners. This will involve mitigating particular risks with some donors and maintaining revenue from other key donors, by streamlining and strengthening government advocacy, underpinned by the ability of UNICEF to demonstrate value for money. UNICEF will strengthen its collaboration with partners such as the World Bank and the other IFIs, building on gains in the current period to expand the resource and partnerships base.

60. In 2018-2021 the Division of Communication (DOC) will support UNICEF Strategic Plan results by contributing to "winning support for the cause of children." The Division will continue to communicate and advocate for the most disadvantaged children. Its work on the new Strategic Plan remains grounded in the organization's fundamental conviction that every child has an equal right to survive, thrive and fulfil their potential — to the benefit of their societies and a more equitable world. The Division aims to help to translate that conviction into resources and action for children, and it will do so by building a more coordinated, consistent and cutting-edge global communication and public advocacy operation, with the Cause Framework at its core.

61. The overarching focus of the Division's work in 2018-2021 will be to put the rights and well-being of the most disadvantaged children at the heart of social, political and economic agendas, in line with the organization's equity focus: to support shifts in public policies, investments and legislation; to fuel social engagement through campaigning, partnerships and support to social movements; and to increase public and private resources for children. In doing so, DOC will work closely with other divisions to ensure a fully integrated approach to the organization's advocacy, communication, partnership and fundraising strategies.

62. The Private Fundraising and Partnerships (PFP) Division is responsible for the strategic framework for UNICEF engagement with the National Committees. Included in this functional cluster are costs related to the continued reinforcement of the relationship with the National Committees as well as private sector strategy development and implementation. The resources supporting specific National Committee and country office fundraising activities are included under special purpose.

Cluster:	Corporate human resources management
Resources:	$98.0 million

63. The Strategic Plan, 2018-2021 identifies robust human resources practices as a key enabler to achieve results for children. The human resources function at headquarters and in the regional and country offices is accountable for enabling managers and staff worldwide to deliver the Goal Areas of the Strategic Plan (the "What") through best-suited change strategies (the "How").

64. The Division of Human Resources (DHR) will contribute by rolling out the remaining elements of the human resources reform and consolidating its impact throughout the quadrennium, focusing on the provision of client service and support to organizational culture change. More specifically, DHR will continue to pursue the following three priority areas:

(a) Simpler, faster and more targeted recruitment on the basis of staffing plans with an aim to enhance overall quality and diversity of UNICEF talent.

(b) Results-focused performance management as a foundation for effective career development.

(c) Strategic human resources business partnering, with the aim of providing managers and staff with an enhanced "one-stop-shop" client experience.

65. These priority areas will be supplemented by two cross-cutting areas:

(a) Design and delivery of a corporate learning agenda in support of the skills and competencies required to deliver on the Strategic Plan.

(b) Enhanced human resources management information systems and proactive data analytics, allowing for effective monitoring and risk management.

Cluster:	Leadership and corporate direction
Resources:	$39.1 million

66. The Office of the Executive Director provides leadership focused on strengthening accountability for results, creating efficiencies, championing global partnerships, improving the quality and reach of programming, and increasing the resources available for child-focused investment. Strengthening accountability for results was pursued through the establishment of the Field Results Group and development of organizational systems and capacity to strengthen results-based management. Efficiencies have been gained through the consolidation of transaction processing through the GSSC and human resources reform processes, in addition to the realization of the largest savings ever in 2016 — $520 million — through targeted procurement strategies. Championing global partnerships for children has contributed to the development of new partnerships including Education Cannot Wait, and strengthening existing partnerships, like the Scaling Up Nutrition (SUN) movement, which include Member States, civil society and the private sector. The continued development of data and programming strategies to reach the most vulnerable children has put equity at the core of the UNICEF programming approach.

67. The Office will continue to lead priority-setting, strategy development, innovation and oversight of the implementation of the Strategic Plan. This includes leadership for emergency response in new and protracted crises, improved programme design and formalization of new programmatic approaches, more systematic results reporting, guiding the development of an organization-wide research agenda, and professionalizing learning within the organization. The Office will continue to focus on the effective, efficient and transparent management of the organization, focused on the progressive achievement of the Strategic Plan's change strategies in the areas of risk management, human resources, information and communications technology systems and operational services. Public advocacy, priority campaigns and high-level engagement around global partnerships to enhance political commitment, drive policy change and leverage resources for children will continue to be a priority.

Cluster:	Staff and premises security
Resources:	$28.1 million

68. UNICEF global security activities are coordinated by EMOPS, in close consultation with the United Nations Department of Safety and Security and other United Nations security management entities. Key activities include monitoring and assessing global threats and risks; providing guidance on security risk management; and developing policies and procedures aimed at creating an enabling environment for successful programme delivery, while maintaining the safety and security of UNICEF staff and assets. The UNICEF Operations Centre supports this function for staff at all locations.

69. Through participation in key inter-agency forums and five Inter-Agency Security Management Network missions, the Office of the United Nations Security Coordinator continued to engage with the United Nations Security Management System to influence policy, processes and training to ensure that security directives align with the UNICEF mission.

Cluster:	Field/country office oversight, management and operations support
Resources:	$896.7 million

70. Senior leaders in each country and region contribute to the delivery of this result through representation and cooperation with national and local leaders, partner organizations, and experts from other agencies and regional intergovernmental groups advocating for children's rights, especially for the poorest and most vulnerable, and through the effective and efficient use of resources made available to support programme delivery.

71. The approved 2014-2017 allocation of $20 million for the harmonized approach to cash transfers (HACT) has contributed to establishing capacity for improved governance, risk management and assurance activities for cash assistance transferred to implementing partners. Significant improvements in the application of HACT were realized and this approach is now expanding to more broadly strengthen the management of UNICEF engagement with implementing partners in all offices.

72. With the establishment of the GSSC in Budapest, transactional work related to finance and human resources has shifted from field and headquarters offices to the Centre. This shift has provided an opportunity to review UNICEF office structures and staffing typologies to adapt to the changing programme-support requirements and ensure that these are appropriately and sustainably funded.

73. A review of the GSSC service delivery and performance sought to determine the benefits realized against the key drivers defined in the original business case. The business case estimated that staff in regional and country offices dedicate approximately 760,000 hours annually to finance, human resources and payroll transaction processing. With these processes now centralized at the GSSC, offices can redirect staff time in support of programme goals.

74. The GSSC became fully operational during 2017. Accounting for volume increases, and applying UNICEF standard staff costs, the GSSC is expected to generate approximately $25 million in cost-savings for transaction processing in 2017, an increase from the original estimated savings of $20 million.

Result 3: Coordination within the United Nations Development System

Cluster:	United Nations coherence and cluster coordination
Resources:	$49.3 million

75. The Office of Emergency Programmes is responsible for the coordination of partners for the humanitarian clusters for water, sanitation and hygiene, nutrition and education, along with the area of responsibility at the global level in child protection. In addition, EMOPS is responsible for establishing inter-agency humanitarian partnerships, developing humanitarian policies, and providing operational support and building capacity for timely and predictable responses to crises.

76. The Office will strengthen its engagement with United Nations partners, especially through the Inter-Agency Standing Committee and directly with the International Organization for Migration, Office of the United Nations High Commissioner for Human Rights, Office of the United Nations High Commissioner for Refugees, World Food Programme and World Health Organization, to improve the coherence of United Nations system-wide actions and strengthened results for children. It will use its knowledge and field results to inform the development of bilateral and multilateral partnerships and alliances that have an operational and normative impact. The Office will also engage in more systematic and structured dialogue with United Nations Member States to increase awareness of the situation of children in emergencies and the role of states in ensuring their protection and development. The Office will also analyse existing systems to monitor and report on child rights and work to strengthen their scope and application in humanitarian settings.

77. Also included in this cluster is an allocation of $17.0 million, representing the UNICEF contribution to the United Nations Resident Coordinator System, which seeks to ensure sufficient and sustainable resourcing for development system coordination.

Special purpose

78. The proposed special purpose resource requirements total $1,318.2 million, comprising capital investments of $80.0 million, PSFR activities of $998.2 million, and other amounts, including $240.0 million for the management of procurement services.

Cluster:	Capital investments
Resources:	$80.0 million

79. A total of $30.0 million is proposed for investment in technology-supported organizational solutions, spanning efficiency gains, better business intelligence, robust repositories of knowledge and externally-facing tools that increase interactivity for advocacy and partnerships. Implementation of these solutions is under way, covering the areas of: (a) knowledge management; (b) human capital management; (c) web content management; (d) records and case management; (e) enhancement to VISION (the UNICEF ERP system); and (f) ICT core support technology.

80. A total of $20 million has been proposed for allocations to offices to support compliance with the Minimum Operating Security Standards. The use of these

resources will continue to focus on (a) systematic identification of vulnerable offices; (b) prioritization of security investments or relocation requirements; and (c) reduced capital repair and maintenance costs.

81. A total of $30.0 million is requested for eco-efficiency initiatives and capital expenditure linked to premises management.

Cluster:	Private sector fundraising
Resources:	$998.2 million

82. Included in special purpose, under PSFR, are the activities and estimated resource requirements of PFP to support the specific PSFR initiatives of the National Committees and UNICEF country offices. The activities related to implementation of the UNICEF Private Fundraising and Partnerships Plan, 2018-2021 and the appropriation for the related resource requirements will be presented for approval by the Executive Board on an annual basis.

83. In order to seize the full potential of the private sector, targets in the UNICEF Private Sector Plan, 2018-2021 have been set around four key audiences to raise both income and influence for children: individuals, key influencers, businesses and Governments (in National Committee countries). The plan supports National Committees and country offices to address the need for a more engaging and emotional experience for UNICEF supporters both in giving and in taking part in the organization's cause for children. The overarching goal is to mobilize private fundraising and partnerships in support of the UNICEF Strategic Plan, 2018-2021 so that $9.6 billion gross ($7.5 billion net) is raised from the private sector from 2018 to 2021; and so that tens of millions more supporters are mobilized for UNICEF, giving their voice, time and money, while ensuring that UNICEF fully harnesses the power of business to deliver on the child rights agenda with a vision towards 2030. These efforts will represent an increase in gross revenue from the private sector to $2.9 billion and double the number of individual donors to UNICEF in comparison to the Private Sector Plan, 2014-2017.

Cluster:	Other, including procurement services
Resources:	$240.0 million

84. Also included in special purpose, under "other", are the activities and estimated resource requirements covered by financial regulations 5.1 to 5.3 on special accounts administered by UNICEF and related administration costs. The results and estimated resource requirements are provided for information in the integrated resource plan, 2018-2021 and the integrated results and resources framework, 2018-2021. These activities currently comprise the administration of procurement services and of the Office of the Special Representative of the Secretary-General on Violence against Children.

85. The Supply Division administers procurement services on behalf of Governments and other partners to complement UNICEF programmes. These services provide partners with economical access to selected products, which allows them to leverage programmatic results. Procurement services totalling roughly $6.0 billion are envisaged for 2018-2021, including $3.5 billion for Gavi, the Vaccine Alliance.

IV. Institutional budget

86. The proposed institutional budget for 2018-2021 of $2,455.5 million is $361 million, or 17.2 per cent higher than the MTR approved institutional budget for 2014-2017, but slightly lower as a percentage of the integrated budget.

87. To ensure higher-quality outputs from the proposed increase in resources available for programmes, UNICEF is proposing to reinforce and improve development effectiveness activities with additional resources of $154.5 million for 2018-2021. Additional resource requirements of $206.5 million are proposed for management activities, United Nations development coordination activities and capital investments.

Major areas of increase and decrease

88. Table 3 details the proposed increase of $361.0 million in the institutional budget. The change in resource requirements between the budget periods 2014-2017 (MTR) and 2018-2021 are analysed by cost category and functional cluster based on strategic shifts proposed by management and cost factors, including inflation.

Cost

89. Cost adjustments result from projected changes in the rates or conditions of staff costs, exchange rates and rates of inflation. Factors that may affect the rates and conditions of staff costs include within-grade increments and other post entitlements as determined by the International Civil Service Commission, vacancy factors and the organizational policy on funding employee liabilities. A total cost decrease of $10.2 million is projected for 2018-2021.

Volume

90. The net total volume increase resulting from strategic shifts is $371.1 million. The details of this increase are provided by functional cluster in the section on the integrated results and resources framework.

Table 3
Summary of increases/decreases in the institutional budget, 2018-2021

		Increases/(decreases)			
	2014-2017	Strategic shifts	Cost	Total	2018-2021
	$m	$m	$m	$m	$m
Development effectiveness	**567.5**	**172.0**	**-17.5**	**154.5**	**722.0**
Technical excellence in policy and programmes	478.8	158.4	-12.9	145.6	624.4
Technical excellence in procurement and management of supplies	52.9	15.2	-5.8	9.4	62.3
Technical excellence in humanitarian action	35.8	-1.6	1.1	-0.5	35.3
Management	**1435.4**	**161.3**	**7.6**	**168.9**	**1604.3**
Leadership and corporate direction	57.0	-19.4	1.5	-17.9	39.1
Corporate oversight and assurance	38.9	7.7	1.2	8.9	47.8
Corporate financial, information and communications and technology, and administrative management	207.3	30.8	7.0	37.8	245.1
Staff and premises security	13.3	14.6	0.3	14.8	28.1
Corporate external relations and partnerships, communication and resource mobilization	216.7	29.4	3.3	32.7	249.4
Corporate human resources management	107.1	-13.5	4.4	-9.1	98.0
Field/country office oversight, management and operations support	795.1	111.6	-10.0	101.6	896.7
Special purpose	**55.0**	**25.0**	**0.0**	**25.0**	**80.0**
Investment projects	55.0	25.0	0.0	25.0	80.0
United Nations development coordination	**36.6**	**12.8**	**-0.2**	**12.6**	**49.3**
Grand total	**2094.5**	**371.1**	**-10.2**	**361.0**	**2455.5**

91. Cost attribution is also in line with the QCPR resolution (67/226) that mandates organizations to avoid the use of RR to subsidize other resources financed activities, including the use of RR to cover costs related to the management and support of other resource funds and their programme activities.

Overview of post changes

92. The total number of posts in the institutional budget will increase by 310, from 2,792 in 2014-2017 to 3,102 in 2018-2021. This total comprises a net increase of 8 senior international professional posts (above P-5 level), a net increase of 235 other international professional posts, and a net increase of 67 national officer and general service posts. Of the total increase in posts, country and regional office posts account for 74 per cent and headquarters 26 per cent.

93. In Executive Board decision 2016/9, authority was given to the Executive Director for a proposed reserve of 10 additional director-level posts. The increases in senior posts are located in country offices in an effort to strengthen leadership and management structures in countries such as Afghanistan, the Central African Republic, Jordan, Nigeria and Sierra Leone. Appendix G of the annex (Change in institutional budget posts, by location) provides the distribution of posts by category in all offices and summarizes the changes between the two budget periods.

V. Cost recovery

94. In decision 2016/9 the Executive Board requested UNICEF, in collaboration with other relevant funds and programmes, to present to the Executive Board, in accordance with decision 2013/5, all requested information on cost recovery in time to be included in the consultations on the Strategic Plan, 2018-2021 and the integrated budget, 2018-2021 at its 2017 annual session. The present document includes the estimated amounts of cost recovery for 2018-2021 based on the currently approved methodology (decision 2013/5). Table 4 presents detailed information based on current cost-recovery methodology, as it pertains to the 2018-2021 integrated budget.

95. UNICEF, together with UNDP, UNFPA and UN-Women, engaged the Executive Boards of all four organizations and provided information on actual implementation of cost recovery policy based on currently approved methodology.

96. The integrated budget, 2018-2021 has been prepared using the cost-recovery methodology and cost-recovery rates approved in Executive Board decision 2013/5. The methodology results in proportional use of RR and OR to fund management activities and related costs. Table 4 shows that 19 per cent of the institutional budget subject to cost recovery will be funded from RR, and 81 per cent from OR; these proportions are different from the proportional shares of planned expenditure funded by RR (27 per cent) and OR (73 per cent) in that there is higher reliance on OR for recovering costs, showing a positive development in the effort to avoid what has been a trend over the years of disproportional use of RR to support management costs.

97. By ensuring the more proportional use of RR and OR to fund management and special purpose activities and related costs, a larger proportion of RR is available for allocation to programme activities.

98. Differentiated cost-recovery rates, including for thematic and private-sector contributions, calculated based on total projected expenditure, will continue to be lower than the harmonized base cost-recovery rate of 8 per cent. UNICEF is projecting that the effective cost-recovery rate for 2018-2021 will be 7.3 per cent.

99. Further information on the actual implementation and results of the revised cost-recovery methodology will be submitted to the Executive Board in conjunction with the inter-agency review of cost recovery.

Table 4
Application of the approved cost-recovery methodology

	Regular resources	Other resources	Total resources
	$m	**$m**	**$m**
Total planned expenditure	**6,420.3**	**17,550.6**	**23,971.0**
Proportional use of RR and OR to fund integrated budget	27%	73%	100%
2018-2021 institutional budget *(in millions of United States dollars)*			**2,455.5**
Less: Development effectiveness activities			721.9
Less: United Nations development coordination activities			49.3
Less: Critical cross-cutting functions			**202.6**
Total institutional budget subject to cost recovery			**1,481.6**
Institutional budget - subject to cost recovery	**286.6**	**1,195.0**	**1,481.6**
Proportional use of RR and OR to fund institutional budget	19%	81%	100%
Planned expenditure (excluding cost recovery) use of other resources		**16,355.6**	
Cost recovery		1,195.0	
Projected effective cost recovery rate		7.3%	

VI. Reporting on implementation of the integrated budget

100. Given its reliance on voluntary contributions, UNICEF has established regular internal reporting processes that include continuous and rigorous review of the revenue and expenditure projections that form the basis of the integrated resource plan.

101. UNICEF will continue to report to the Executive Board, at its annual session, on the fulfilment of the results articulated in the Strategic Plan in the annual report of the Executive Director and, at its second regular session, on actual financial performance (in a format similar to the integrated resource plan) in the annual revision of the UNICEF Strategic Plan: updated financial estimates.

102. Since 2012, summary financial reporting (in a format similar to the integrated resource plan) based on the statement of comparison of budget and actual amounts and in compliance with IPSAS, has also been included in the UNICEF financial statements.

VII. Draft decision

The following draft decision is included for consideration:

The Executive Board

1. *Welcomes* the UNICEF integrated budget, 2018-2021 in response to its request (decision 2009/20) to present a single, integrated budget that includes all UNICEF budgetary categories, with an improved results focus and enhanced linkages with the strategic plan results and harmonized in methodology and presentation, including on cost classification, attribution and recovery, with UNDP, UNFPA and UN-Women;

2. *Approves* the integrated resource plan as the financial framework for the Strategic Plan, 2018-2021, based on projections of resources available, utilization and working capital required for liquidity;

3. *Approves* for the Global and Regional Programme a budget from regular resources of $220.0 million, subject to the availability of resources, and other resources of $810.2 million, subject to the receipt of contributions to other resources, for 2018-2021;

4. *Approves* an extension of Executive Board decision 2016/9 authorizing the Executive Director to establish 10 additional director-level positions, to be funded from within the approved institutional budget for 2018-2021;

5. *Approves* an appropriation for the institutional budget for 2018-2021 of $2,455.5 million to cover the costs of development effectiveness, United Nations development coordination, management activities and, within special purpose activities, capital investments, and notes that the projected funding for the appropriation is $1,095.2 million from regular resources and $1,195.0 million from cost recovery from other resources;

6. *Notes*, in addition to the appropriation of $2,290.2 million, the projected funding for the institutional budget of $165.3 million from other resources, subject to the receipt of contributions to other resources;

7. *Notes*, within special purpose activities, the projected utilization of resources for:

(a) The amounts required in accordance with the UNICEF Financial Regulations to defray the costs of UNICEF administration of special accounts on behalf of others, including procurement services; and

(b) Private sector fundraising, for which budgets will be submitted for consideration and approval on an annual basis by the Executive Board at its first regular session;

8. *Requests* the Executive Director to:

(a) Provide actual financial information in the format of the integrated resource plan and to assess performance against the integrated budget in his annual report to the Executive Board;

(b) Submit to the Executive Board, for annual approval, an updated integrated resource plan at its second regular session, following review of the financial projections on which it is based;

(c) Submit to the Executive Board, in conjunction with the midterm review of the Strategic Plan, information on the actual implementation and results of the revised cost-recovery methodology, together with any related recommendations, at the annual session in 2018.